(c) whether it is also a fact that Government had instructed all the States to initiate policies encouraging private sector to build new hotels;

(d) if so, the reaction of the State Governments in this regard; and

(e) the details of action taken thereon?

THE MINISTER OF TOURISM AND CULTURE (SHRIMATI AMBIKA SONI): (a) Yes, Sir. The budget provision for the year 2006-07 for implementation of various schemes is Rs. 830.00 crore as compared to Rs. 786.00 crore for the year 2005-06.

(b) No specific allocation has been made for any State for development of tourism. However, Department of Tourism extends financial assistance to States/UTs for implementation of tourism projects, which are prioritized in consultation with them, subject to *inter-se* priority and availability of funds. During the year 2005-06, Rs 25.06 crore has been sanctioned and Rs. 16.05 crore has been released in favour of Andhra Pradesh for implementation of various tourism projects.

(c) In the State Tourism Ministers Conference held in New Delhi during 4-5 March, 2005, a resolution was adopted by the States to work towards streamlining their land policies by rezoning and re-defining land use to facilitate development of adequate hotel rooms in metro cities and at tourist sites. The State Governments have also been advised to adopt single window approach to clear hotel and tourism projects on fast track mode and consider giving land on long lease and annual rental basis to promote budget hotel projects.

(d) The response of the State Governments so far is not satisfactory.

(e) Department of Tourism has taken up the issue of development of required hotel rooms with land owning agencies of identified States. Department has also issued guidelines for approval of Guest Houses, Paying Guest Accommodation, Time share Resorts and Service Apartments to overcome shortage of hotels.

Changes in Insurance Act

*240. SHRIMATI S.G. INDIRA:
SHRI LALIT SURI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to make major changes in Insurance Act;

(b) if so, the details thereof;

(c) whether Government are also considering to allow LIC to enter into health insurance; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The Law Commission in its 190th Report submitted to the Government has recommended merging, amending, re-grouping, re-casting, re-defining, deleting and re-examining of various provisions of the Insurance Regulatory and Development Authority (IRDA) Act, 1999 and Insurance Act, 1938. IRDA constituted a Committee of Experts to deliberate upon the report of Law Commission and placed the report of the Committee in the public domain for comments of all stakeholders. IRDA is yet to submit its report to Government.

(c) and (d) The Government has received no proposal from LIC to allow it to enter into Health Insurance.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Air Service Agreement with Thailand

1471. SHRI ABU ASIM AZMI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have agreed with Thailand Government for to and fro international flights;

(b) if so, the details of the agreement and the extent to which India shall be beneficiary;

(c) the number of daily flights to and fro;

(d) the details of airports in Uttar Pradesh from where such flights shall operate; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) During the recently held bilateral air services consultation between India and Thailand on 9-10 February, 2006, an MoU has been signed between the two countries.

(b) and (c) As per this MoU, the capacity entitlement for the designated airlines of both sides has been increased to 18671 seats per week in a phased manner upto summer 2009. Besides, the designated airlines of both sides have unlimited access to/from 18 tourist gateways in India.